



RESPONSIBLE
JEWELLERY
COUNCIL

MEMBER PERFORMANCE METHODOLOGY AND METRICS

Roadmap to 2030 and beyond

DECEMBER 2020

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Mission

We strive to be the recognised standards and certification organisation for supply chain integrity and sustainability in the global jewellery and watch industry.

Vision

Our vision is a responsible world-wide supply chain that promotes trust in the global jewellery and watch industry.

Values

We are respectful and fair.
We practice honesty, integrity and accountability.
We engage in open collaboration.



1. INTRODUCTION

1.1 THE RESPONSIBLE JEWELLERY COUNCIL

The Responsible Jewellery Council (RJC) is the world's leading standard-setting organisation for the jewellery and watch industry. It was founded in 2005 by 14 member organisations from spanning the whole value chain. Today our membership has grown to more than 1,250 organisations committed to advancing responsible business practices through the implementation of our Code of Practices (COP). As a member organisation, we bring together companies of all shapes and sizes, from right across the global jewellery & watch supply chain who deal with gold, silver, platinum group metals, diamonds, emeralds, sapphires, and rubies to join as members. What unites us is our shared belief that responsible business is good business, without causing harm to people or the planet, and that this can only be achieved by working together, and in partnership with others. In doing so, we are also strengthening trust and consumer confidence, so people around the world continue to hold jewellery close to their hearts for centuries to come.

1.2 ROADMAP TO 2030 AND BEYOND

RJC celebrates 15 years of legacy in 2020, and we are now looking to build on this achievement and lay out a path for the next 10 years that will catalyse and deliver further positive and sustainable impact. This coincides with the 'Decade of Action', a call from the UN Secretary-General on all sectors of society, including the private sector, to mobilise on the global Sustainable Development Goals (SDGs) to help deliver the 2030 Agenda for sustainable development. We understand the significant challenges that our members and the wider world faces currently due to the devastating effects of the COVID-19 pandemic. However, we strongly believe that the SDGs as well as the UN Global Compact's (UNGC) Ten Principles on human rights, labour, environment, and anti-corruption are critical to recovery.

Building trust in the jewellery & watch industry: Roadmap to 2030 and beyond is a framework for our industry with respect to the most impactful contributions we can make through our supply chains, and provides attainable pathways to help us achieve impact on the SDGs and the five pillars of sustainable development ("5Ps") People, Planet, Prosperity, Peace and Partnerships. In each of the 5Ps, RJC has identified 1 or 2 priority SDGs based on a materiality assessment conducted in 2020. The three impact pathways in our roadmap correspond to RJC's three strategic "pillars" Members First, Partnerships for Progress, Advocacy for Positive Change. The roadmap outlines how the outputs of our strategies will contribute sequentially to achievement of short- and medium-term outcomes, and eventually longer-term impacts for RJC and its members, taking us closer to our vision of a responsible world-wide supply chain that promotes trust in the global jewellery and watch industry. Full details of our 2030 Roadmap can be found in the separate Roadmap document.

1.3 ABOUT THIS DOCUMENT

This member performance metric document accompanies our new Roadmap, and details how RJC will measure and evaluate the outputs and outcomes from our Members First strategy on the collective performance of RJC members, and progress towards achieving the desired long term impacts:

1. UNGC Website, accessed August 2020 (www.unglobalcompact.org/what-is-gc/participants/7979-Responsible-Jewellery-Council)



Figure 1: RJC's long term impacts as defined in the 2030 Roadmap

1.4 MEASURING PROGRESS TOWARDS IMPACTS

The Roadmap is the basis for RJC's Monitoring, Evaluation & Learning (MEL) System. The MEL system is designed to provide insight into the effectiveness of RJC's strategic pillars in achieving the long-term impacts defined in our Roadmap. A new set of member metrics linked to the long-term impacts and key provisions of our COP has been developed for this purpose. The insights derived from data obtained through performance monitoring and annual research projects will help inform strategy and drive innovation and continuous improvement through learning and adjustments to our approach.

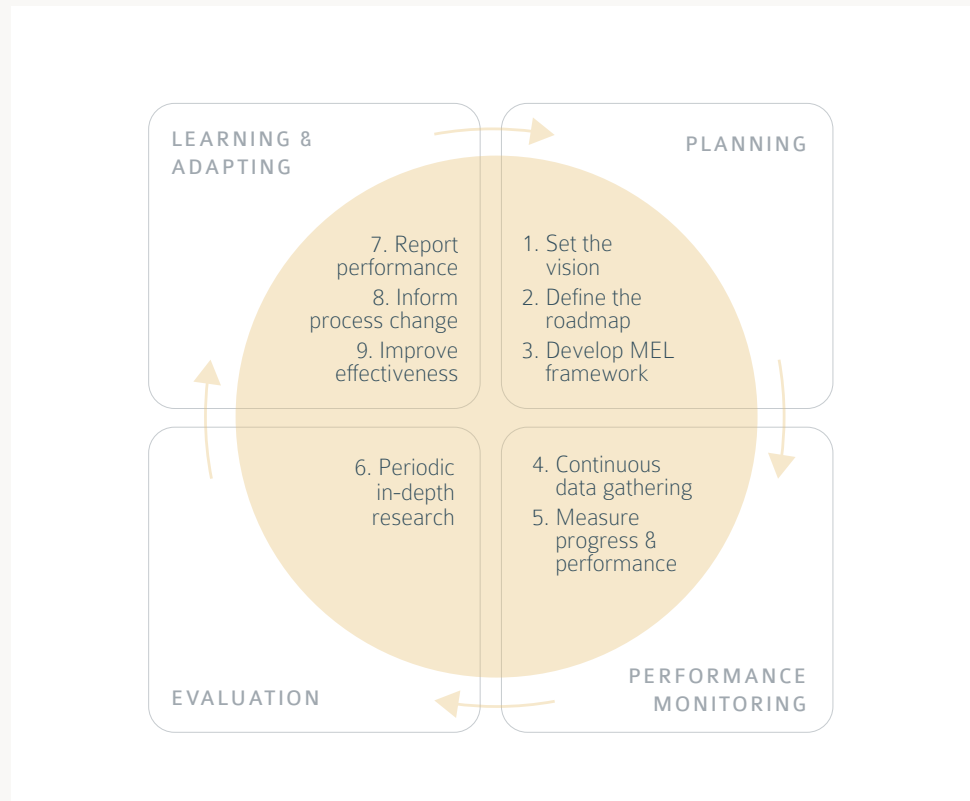


Figure 2: Overview of RJC's MEL system

1.5 WHY IS IT IMPORTANT TO MEASURE PROGRESS?

It is important for us to collect regular data from our members, to enable us to demonstrate meaningful and measurable progress towards our long-term impacts to our stakeholders. Comparable data on members' contribution towards the long term impacts and the SDGs is vital for assessing progress, facilitating reporting and promoting behavioural change.

At the RJC member level, collecting and reporting on common ESG metrics is vital for assessing individual progress and promoting internal behavioural change. It also fosters positive sentiment with investors and stakeholders, who are increasingly expecting companies to report on this type of information with the same rigour as financial information. By reporting publicly on such metrics, and integrating it into organisational strategy and governance, members are more likely to create long-term sustainable value and positive outcomes for business, society and the planet.²

2. World Economic Forum, "Measuring Stakeholder Capitalism", 2020

2. METRICS METHODOLOGY

2.1 STRUCTURE OF METRIC SYSTEM

The UN Guiding Principles on Business and Human Rights to implement ‘Protect, Respect and Remedy’ Framework (2011) was used as the methodology for determining the overall structure of the new member metrics. The metrics have been structured to understand whether the member has made the necessary commitment to a sustainability issue, implemented the necessary management system to manage the issue, and finally the outcomes of these efforts in terms of compliance with the COP. The member performance metrics will complement data that RJC will collect via the audit reports on the existence of policies, and the implementation of management systems, to provide a holistic view as to whether the standard is effective in stimulating performance improvements in the member’s operations.

Business theme	COP	Commitment metric	Process metric	Outcome: compliance metric	Outcome: performance metric
Women in leadership	22	<p>Data: existence of adequate policies and procedures</p> <p>Rating system: 0= Not Applicable 3= Full compliance 2= Partial compliance 1= Lack of compliance</p> <p>Collection method: via member re-certification audits (every 3 years)</p>	<p>Data: level of implementation of policies and procedures</p> <p>Rating system: 0= Not Applicable 3= Full compliance 2= Partial compliance 1= Lack of compliance</p> <p>Collection method: via member re-certification audits (every 3 years)</p>	<p>Data: level of compliance with policies and procedures and COP provision</p> <p>Rating system: 0= Not Applicable 3= Full compliance 2= Partial compliance 1= Lack of compliance</p> <p>Collection method: via member re-certification audits (every 3 years)</p>	<p>Data: performance improvements in member’s operations</p> <p>Collection method: via an online annual data collection process</p>

Figure 3: Example for the structure of the metrics system (Tier 1 People)

2.2 HOW WERE THE NEW PERFORMANCE METRICS SELECTED?

Selection of the new member performance metrics was based on the following criteria:

- Relevance to at least one SDG and supporting indicator;
- Consistency with existing reporting frameworks or standards to reduce reporting burden and align with other sectors;
- Universality (applicable to all reporting entities);
- Comparability across for RJC fora, and with the broader private sector;
- Capability of consistent measurement; and
- Suitability for consolidated reporting.

Key initiatives and reporting frameworks consulted as part of the selection our metrics were:

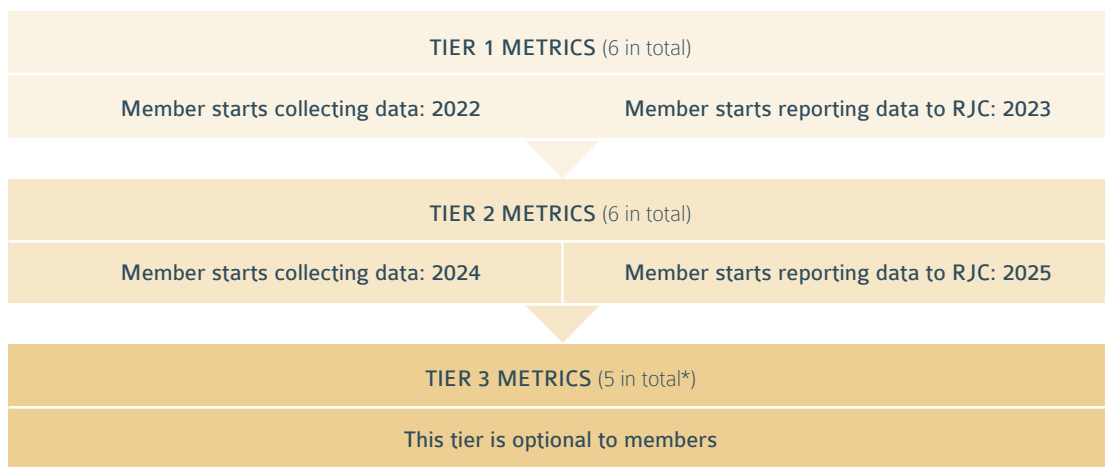
- World Economic Forum, “Measuring Stakeholder Capitalism”, 2020

- GRI & UNGC, “Business Reporting on the SDGs: An Analysis of the Goals and Targets”, 2017
- GRI & UNGC & WBCSD, SDG Compass: Inventory of Business Indicators
- UNCTAD: “Guidance on core indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals”, 2020
- OHCHR, “Human rights-based approach to data: Leaving no one Behind in the 2030 Agenda for Sustainable Development”, 2018

2.3 TIERED METRICS SYSTEM

RJC proposes an incremental and tiered approach to the member performance metrics, designed to challenge the industry to report more comprehensively on the ESG and human rights issues over time. The member performance metrics have been organised according to the five pillars of sustainable development – People, Planet, Prosperity, Peace and Partnerships - as outlined in our 2030 Roadmap. There are 3 tiers of metrics for each pillar linked to the relevant priority SDG. In the case of the pillar of Prosperity, there are 2 sets of metrics for each tier, as RJC has identified two priority SDGs in this area.

Members will start their journey by collecting and reporting on tier 1 metrics before progressing to tier 2. Tier 3 is optional to members. Members are encouraged to start collecting and reporting on the metrics as soon as it is feasibly possible, however all members are expected to collect and report on each tier of metrics in accordance with the deadlines set below, to ensure RJC has a complete overview of the performance of its membership. Once members start reporting on specific metrics, they are required to continue reporting on an annual basis.



* There is no third-tier metric for Partnerships / SDG17 at present due to lack of common metrics available in this area. However, the RJC may explore the option of adding the third tier on cumulative impacts at a later stage.

RJC encourages as many members as possible to start collecting and reporting data on the tier 1 metrics at the earliest opportunity. It is acknowledged that not all members will find it easy to report immediately on the tiers of metrics, and the necessary member training and support will be provided to ensure members are aware of the requirements and their responsibilities. The ambition is for members to embark on a journey of continuous improvement, that leads to reporting of all tiers of metric overtime as their internal data systems mature, as it presents a pathway for members to improve the depth and breadth of their reporting on ESG issues of material concern to stakeholders.

2.4 APPLICABILITY

This data reporting framework applies to certified members only, who have already implemented the RJC COP and have established the necessary management systems to manage the issues being reported. All new members joining the RJC will be required to comply with the data reporting requirements set out in this document once they have achieved certification. Members will need to ensure that they have data for the full reporting year prior to reporting to the RJC. The member's performance according to the data submitted will not impact on their certification outcome.

2.5 HOW WILL THE MEMBER PERFORMANCE METRIC DATA BE COLLECTED?

Members will be required to submit data for performance metrics on an annual basis via an online platform. The platform utilised by RJC for data collection will be announced near to the time of data collection. Data should be submitted to the RJC during quarter 1, for the reporting period of 1 January – 31 December of the previous year. Members are required to maintain evidence of their data collection processes and calculations for at least 3 years.

2.6 DATA QUALITY & CONFIDENTIALITY

To ensure the quality of the data RJC will implement a number of measures, including but not limited to:

- Providing clear metric guidance and training to members and auditors on how data should be collected, calculated, and reported.
- Data submitted by members will be analysed by RJC Impacts Department in early Q2 of each year, and the detection of any omissions/anomalies/outliers will be followed up with the relevant members.
- Verification of data accuracy for a sample of data by accredited third-party auditors during COP certifications audits. Auditors are responsible for collecting sufficient evidence to ensure members have the systems appropriate to their scale and size to collect data for the RJC member performance metrics. As part of this process auditors will be required to conduct sample checks of the data for the purpose of data verification. Auditor will only be required to check one year's worth of data, for the year prior to the COP certification audit. RJC will produce a guidance document for auditors to clarify how indicators should be interpreted and what is expected from auditors verifying data. RJC will also develop the necessary training to ensure auditors have the knowledge and skills necessary to perform data verification as part of the audit to increase the reliability of the data. Auditors shall notify RJC of any data errors and corrections via the audit report, and any data adjustments for the previous year's aggregated data made will be communicated publicly via RJC Annual Progress Report.

RJC is committed to the highest standards of information security and treats confidentiality and data security extremely seriously to protect the privacy of its members and the integrity of the RJC. Confidentiality is one of the key principles underpinning the RJC's activities and is central to the trust between the RJC and its members. Data submitted to RJC as part of the member performance metrics is covered by the **RJC Confidentiality Policy**.

2.7 HOW WILL THE DATA BE USED?

Individual member-level data will never be disclosed publicly. Data will be analysed by the RJC Impacts Department and reported internally and externally (via RJC Annual Progress Report, RJC social media channels, communication campaigns, etc.) in an aggregated format to protect member data confidentiality. This data will also be used for the purpose of internal monitoring and evaluation to ensure RJC strategic pillars are achieving the desired outcomes and impacts defined in our 2030 Roadmap.

2.8 2021 PILOT PHASE

RJC proposes for a pilot phase to be undertaken in 2021, with a selection of members representing different fora, company size, and geographical areas to test the proposed metrics system and evaluate the suitability and usability of the systems and supporting tools and member support prior to finalising the metrics in preparation for 2022. Metrics will be reviewed on an ongoing basis based on experience and evolution of reporting.

3. METRICS PROTOCOL

The following sections provides an overview of the metrics for each of the five pillars of sustainable development - People, Planet, Prosperity, Peace and Partnerships, as well as protocols and methodology for each of the member performance metrics which members will have to report against annually. There are 3 tiers of metrics for each pillar of sustainable development linked to the relevant priority SDG (in the case of the pillar of Prosperity, there are 2 sets of metrics for each tier, as RJC has identified two priority SDGs in this area).

3.1 PEOPLE



Long term impact: Gender equality and empowerment of women through the jewellery and watch supply chain.

3.1.1 METRICS OVERVIEW

	Business theme	COP	Commitment metric	Process metric	Outcome: compliance metric	Outcome: performance metric
TIER 1	Women in leadership	22	Presence of relevant policies and procedures addressing discrimination against women in alignment with the COP requirements.	Presence of effective and efficient management system to enforce relevant policies and procedures addressing discrimination against women.	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures.	Proportion of women in managerial positions.
TIER 2	Discrimination & harassment	18 & 22	Presence of non-discrimination and anti-harassment policies and procedures aligned with the COP requirements.	Presence of effective and efficient management system to enforce non-discrimination and anti-harassment policies and procedures.	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures.	Total number of incidents of discrimination & harassment based on gender.
TIER 3	Gender equality	22	Presence of relevant policies and procedures addressing discrimination against women in alignment with the COP requirements.	Presence of effective and efficient management system to enforce relevant policies and procedures addressing discrimination against women.	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures.	Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation.

3.1.2 PERFORMANCE METRIC PROTOCOLS

TIER 1	
Metric	Proportion of women in managerial positions.
Unit(s)	# and % of managerial positions.
Definition	Metric expressed as the proportion of women occupying a managerial position, as a percentage of all managerial positions.
Rationale	Ensuring non-discrimination in employment through implementing gender-sensitive recruitment and retention practices, including proactively recruiting and appointing women to managerial and executive positions and to the corporate board of directors is critical.
Measurement methodology	<ul style="list-style-type: none"> • Calculate the total workforce at 31 December in terms of headcount (all employees and onsite contractors) • Identify those employees that occupy managerial positions (middle management and senior management) at 31 December • Identify the number of female employees occupying managerial positions at 31 December • Calculation: the proportion of women in managerial = (Female employees employed in managerial positions / total employees employed in managerial positions) x 100
Guidance adapted from	<ul style="list-style-type: none"> • UNCTAD: “Guidance on core indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals”, 2020
External reporting frameworks	<ul style="list-style-type: none"> • World Bank World Development Indicators • UNCTAD C.1.1. • UN Global Compact-Oxfam Poverty Footprint PF-20.1 • GRI 405-1 • IAEG-SDG 5.5.2

TIER 2	
Metric	Incidents of discrimination & harassment.
Unit(s)	#
Definition	<p>Total number of incidents of discrimination & harassment based on gender</p> <p>Total number of incidents broken down per status:</p> <ol style="list-style-type: none"> Number of incidents reviewed by the organization; Number of incidents with remediation plans being implemented; Number of incidents with remediation plans that have been implemented, with results reviewed through routine internal management review processes; Number of incidents no longer subject to action.
Rationale	Employers are responsible for dealing effectively, quickly and fairly with situations involving claims and incidents of harassment or discrimination. This metric gives valuable insights into how risks of gender-based discrimination and harassment are being managed by members.
Measurement methodology	<ul style="list-style-type: none"> • When compiling the data, members should include incidents of discrimination on the grounds of gender across operations in the reporting period. • In the context of this disclosure, an ‘incident’ refers to a legal action or complaint registered with the reporting organisation or competent authorities through a formal process, or an instance of non-compliance identified by the organisation through established procedures. • An incident is no longer subject to action if it is resolved, the case is completed, or no further action is required by the organisation (e.g. cases that were withdrawn or where circumstances that led to the incident no longer exist)
Guidance adapted from	<ul style="list-style-type: none"> • World Economic Forum, “Measuring Stakeholder Capitalism”, 2020 • GRI 406-1
External reporting frameworks	<ul style="list-style-type: none"> • GRI 406-1 • WEF expanded metric - people

TIER 3

Metric	Pay Gap
Unit(s)	# and %
Definition	Mean pay gap of basic salary and remuneration of full-time relevant employees based on gender (women to men) at a company level.
Rationale	Research has shown that women tend to earn less and be in less-senior roles. The pay gap metric is considered a potential indicator of organisational structural inequality and under-representation of disadvantaged groups in senior and higher paid roles.
Measurement methodology	<ul style="list-style-type: none"> • The gender pay gap is the difference between the average earnings of men and women, expressed relative to men’s earnings. For example, ‘women earn 15% less than men per hour’. • Members should calculate their organisation’s gender pay gap in hourly pay as a mean figure (the difference between the average of men’s and women’s pay). • This can be done by adding together the hourly pay rates of all male full-pay relevant employees and dividing this figure by the number of male full-pay employees – to provide the mean hourly pay rate for men. • Members should repeat the calculation for female employees, by add together the hourly pay rates of all female full-pay relevant employees and dividing this figure by the number of female full-pay employees – to get the mean hourly pay rate for women. • To calculate the mean pay gap, members should subtract the mean hourly pay rate for women from the mean hourly pay rate for men and divide the result by the mean hourly pay rate for men. • By multiply the result by 100 – members will have the mean gender pay gap in hourly pay as a percentage of men’s pay. • The definition of ‘employee’ for gender pay gap reporting includes people who have a contract of employment with your organisation and agency workers (those with a contract to do work or provide services).
Guidance adapted from	<ul style="list-style-type: none"> • GRI 102-38 • World Economic Forum, “Measuring Stakeholder Capitalism”, 2020 • UK Government guidance on gender pay gap reporting
External reporting frameworks	<ul style="list-style-type: none"> • GRI 102-38 • WEF expanded metric – people

3.2 PLANET



Long-term impact: Our planet's climate is protected for future generations

3.2.1 METRICS OVERVIEW

	Business theme	COP	Commitment metric	Process metric	Outcome: compliance metric	Outcome: performance metric
TIER 1	Energy efficiency	27	Presence of energy efficiency policies and procedures that are aligned with the COP requirements.	Presence of effective and efficient management system for energy efficiency.	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures.	Energy intensity (Joules/\$)
TIER 2	Renewable energy	27	Presence of renewable energy (wind, solar, water and other resources) policies and procedures that are aligned with the COP requirements.	Presence of effective and efficient management system to monitor, identify, prioritise and implement renewable energy.	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures.	Proportion (%) of energy used generated from renewable sources (wind, solar etc.)
TIER 3	Greenhouse Gas (GHG) emissions	26 & 27	Presence of policies and procedures for monitoring and controlling all identified significant emission to air, that are aligned with the COP requirements.	Presence of effective and efficient environmental management system to monitor and control all identified significant emission to air.	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures	GHG Protocol Scope 1 and 2 emissions in tonnes of carbon dioxide equivalent (tCO ₂ e).

3.2.2 PERFORMANCE METRIC PROTOCOLS

TIER 1	
Metric	Energy intensity
Unit(s)	Joules per \$
Definition	Refers to the amount of energy consumed during the reporting period per dollar net revenue
Rationale	Energy intensity ratios define energy consumption in the context of an organisation-specific metric, and expressed per unit of activity, output, or any other organisation-specific metric. Intensity ratios are used to normalised impact data, and helps to contextualise the member's efficiency, including in relation to other members.
Measurement methodology	<ul style="list-style-type: none"> To calculate, members should determine their total energy consumption for each entity in the scope of their RJC membership Energy consumption should include non-renewable fuel, renewable fuel, electricity, heating, cooling, steam purchased, self-generated electricity, heating, cooling & steam Any electricity, heating, cooling, and steam sold should be deducted from the consumption figure. Consumption of different energy types are expressed in different units; therefore, the member is responsible for using recognised conversion factors to convert all data into joules. To normalise the data on energy consumption, the total amount of joules of energy should be divided by the amount of net revenue earned during the reporting period.
Guidance adapted from	<ul style="list-style-type: none"> GRI 302: ENERGY 2016 UNCTAD: "Guidance on core indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals", 2020
External reporting frameworks	<ul style="list-style-type: none"> GRI 302-3 UNCTAD B.5.2

TIER 2	
Metric	Proportion of energy used generated from renewable sources (wind, solar etc).
Unit(s)	Joules and %
Definition	Ratio of consumption of renewable energy to total energy consumption during the reporting period. Types of renewable energy include, for example, solar energy, biomass, hydropower, geothermal energy and ocean energy.
Rationale	Transitioning to renewable energy has many well-known environmental benefits including lower carbon emissions, reduced air pollution and resulting positive impacts on health and employment of local communities. Monitoring and reporting on the amount of energy consumed, according to source, can help members move towards greater investment and use of renewable energy by integrating into their business strategy.
Measurement methodology	<ul style="list-style-type: none"> • Members should first calculate the total amount of renewable energy consumed during the reporting period. • Renewable fuel sources (such as biofuels), solar energy, biomass, hydropower, geothermal energy and ocean energy, including heat from renewable sources and electricity from renewable sources. • Consumption of different energy types are expressed in different units; therefore, the member is responsible for using recognised conversion factors to convert all data into joules. • Then members should determine their total energy consumption for each entity in the scope of their RJC membership during the reporting period (including any renewable energy consumed). • Energy consumption should include non-renewable fuel, renewable fuel, electricity, heating, cooling, steam purchased, self-generated electricity, heating, cooling & steam • Any electricity, heating, cooling, and steam sold should be deducted from the consumption figure. • Calculation: Proportion of renewable energy = (total renewable energy consumption / total energy consumption) x 100
Guidance adapted from	<ul style="list-style-type: none"> • World Economic Forum, “Measuring Stakeholder Capitalism”, 2020 • GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018
External reporting frameworks	<ul style="list-style-type: none"> • UNCTAD B.5.1 • World Bank WDI • IAEG-SDG 7.2.1

TIER 3	
Metric	Scope 1 & 2 GHG emissions
Unit(s)	tCO2e (tonnes of carbon dioxide equivalent)
Definition	Greenhouse Gas (GHG) emissions Report GHG Protocol Scope 1 and 2 emissions
Rationale	GHG emissions are the primary driver of rising global temperatures and therefore a key focus for companies in the jewellery and watch value chain to regulate climate change. As we transition to a low-carbon economy, it is vital that members understand their GHG emission to help identify opportunities to take action.
Measurement methodology	<ul style="list-style-type: none"> • Direct (Scope 1) GHG emissions include, but are not limited to, the CO2 emissions from the fuel consumption. • Direct (Scope 1) GHG emissions can come from the following sources owned or controlled by an organization <ul style="list-style-type: none"> - From the combustion of fuels in boilers, furnaces etc for generation of electricity, heating, cooling and steam - From the combustion of fuels in mobile combustion sources owned or controlled by the organization, such as trucks, cars etc, for transportation of materials, products, waste, workers - From fugitive emissions, including intentional or unintentional releases of GHGs, such as equipment leaks, HFC emissions from refrigeration and air conditioning equipment - From manufacturing or physical or chemical processing of chemicals and materials • Indirect (Scope 2) GHG emissions include, but are not limited to, the emissions from purchased or acquired electricity, heating, cooling, and steam consumed by an organisation. • When compiling the information members should apply emission factors and GWP rates consistently for the data disclosed, and use the GWP rates from the IPCC assessment reports based on a 100-year timeframe.
Guidance adapted from	<ul style="list-style-type: none"> • World Economic Forum, “Measuring Stakeholder Capitalism”, 2020 • GRI 305: EMISSIONS 2016
External reporting frameworks	<ul style="list-style-type: none"> • GRI 305 1 • CDP C6, C7 • CDSB R03, R04

3.3 PROSPERITY



Long term impact: Inclusive and sustainable economic growth and decent work for all throughout the jewellery and watch supply chain.

3.3.1 METRICS OVERVIEW

	Business theme	COP	Commitment metric	Process metric	Outcome: compliance metric	Outcome: performance metric
TIER 1	Health & Safety	23	Presence of policies and procedures for managing health & safety risks in the workplace that are aligned with the COP requirements	Presence of effective and efficient health & safety management system to reduce workplace risks	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures	Total recordable injury rate (TRIR) for employees and onsite contractors
TIER 2	Freedom of association and collective bargaining	21	Presence of policies and procedures for freedom of association and collective bargaining that are aligned with the COP requirements	Presence of effective and efficient system to enforce relevant policies and procedures on freedom of association and collective bargaining	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures	Proportion of employees covered by collective bargaining agreements
TIER 3	Discrimination & harassment	18 & 22	Presence of policies and procedures for addressing discrimination in the workplace that are aligned with the COP requirements	Presence of effective and efficient system to enforce relevant policies and procedures addressing discrimination	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures	Total number of incidents of discrimination & harassment

3.3.2 PERFORMANCE METRIC PROTOCOLS

TIER 1	
Metric	Total recordable injury rate (TRIR) for employees and onsite contractors
Unit(s)	# per million hours worked
Definition	The total recordable injury rate (TRIR) – the number of fatalities, lost-time injuries, substitute work and other injuries requiring treatment by a medical professional, per million hours worked.
Rationale	Ensuring the H&S of workers is a major concern for businesses, and strong standards can improve employee productivity and efficiency and mitigate risks.
Measurement methodology	<ul style="list-style-type: none"> • The calculation resulting from the metric reflects the number of total recordable incidents of injury and compares it to the total number of hours worked by all employees in a single year. • A recordable incident is any work-related injury or illness that results in death, loss of consciousness, day away from work, restricted work activity, transfer to another job or medical treatment beyond first aid. • Types of work-related injury can include death, amputation of a limb, laceration, fracture, hernia, burns, loss of consciousness, and paralysis, among others. • Include injuries as a result of commuting incidents only where the transport has been organised by the organisation, but not Injuries involving members of the public as a result of a work-related incident. • Work-related musculoskeletal disorders and ill health (and not injuries) are not included in scope • Members are required to calculate rates based on 1,000,000 hours worked. Standardised rates allow for meaningful comparisons of statistics, between different organisations, and to help account for differences in the number of workers in the reference group and the number of hours worked by them. • Calculation: rate of recordable work-related injuries = (number of recordable work-related injuries / Number of hours worked) x 1,000,000
Guidance adapted from	<ul style="list-style-type: none"> • World Economic Forum, “Measuring Stakeholder Capitalism”, 2020 • GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018
External reporting frameworks	<ul style="list-style-type: none"> • SASB (CN0101 18) • GRI 403 9 • UNCTAD C.3.2 • WEF core metric – people

TIER 2	
Metric	Proportion of employees covered by collective bargaining agreements
Unit(s)	# and %
Definition	Total and percentage of total employees covered by collective bargaining agreements
Rationale	This metric gives insight whether members are responsible businesses who respect the human rights of their workers to exercise freedom of association and collective bargaining. In turn this results in decent working conditions for workers.
Measurement methodology	<ul style="list-style-type: none"> • Collective bargaining refers to all negotiations which take place between employers and workers’ organisations (trade unions) for determining working conditions and terms of employment. • Collective agreements can be made at various levels and for categories and groups of workers. • Members should report the percentage of the active workforce covered under collective bargaining agreements. • The active workforce is defined as the maximum number of unique employees employed at any time during the calendar year. • The scope includes all personnel employed by the member, including full-time, part-time and temporary employees.
Guidance adapted from	<ul style="list-style-type: none"> • GRI 102 – Standard disclosures • World Economic Forum, “Measuring Stakeholder Capitalism”, 2020
External reporting frameworks	<ul style="list-style-type: none"> • SASB CN0401-17 • GRI 102 • WDI 7.2

TIER 3

Metric	Number of discrimination and harassment incidents, across operations and status of the incidents and actions taken
Unit(s)	#
Definition	<p>Total number of incidents of discrimination & harassment.</p> <p>Total number of incidents broken down per status:</p> <ul style="list-style-type: none"> i. Number of incidents reviewed by the organization; ii. Number of incidents with remediation plans being implemented; iii. Number of incidents with remediation plans that have been implemented, with results reviewed through routine internal management review processes; iv. Number of incidents no longer subject to action.
Rationale	Employers are responsible for dealing effectively, quickly and fairly with situations involving claims and incidents of harassment or discrimination. This metric gives valuable insights into how risks of discrimination and harassment are being managed by the member.
Measurement methodology	<ul style="list-style-type: none"> • When compiling the data, members should include incidents of discrimination on grounds of race, colour, sex, religion, political opinion, or social origin as defined by the ILO, or other relevant forms of discrimination involving internal and/or external stakeholders across operations in the reporting period. • In the context of this disclosure, an 'incident' refers to a legal action or complaint registered with the reporting organisation or competent authorities through a formal process, or an instance of non-compliance identified by the organisation through established procedures. • An incident is no longer subject to action if it is resolved, the case is completed, or no further action is required by the organisation (e.g. cases that were withdrawn or where circumstances that led to the incident no longer exist)
Guidance adapted from	<ul style="list-style-type: none"> • World Economic Forum, "Measuring Stakeholder Capitalism", 2020 • GRI 406-1
External reporting frameworks	<ul style="list-style-type: none"> • GRI 406-1 • WEF expanded metric - people



Long term impact: Sustainable use of shared precious resources, ensuring jewellery and watch products than can be enjoyed for generations

3.3.3 METRICS OVERVIEW

	Business theme	COP	Commitment metric	Process metric	Outcome: compliance metric	Outcome: performance metric
TIER 1	Water use efficiency	27	Presence of policies and procedures for water efficiency that are aligned with the COP requirements	Presence of effective and efficient system to enforce relevant policies and procedures on water efficiency	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures	Water intensity (litres/\$)
TIER 2	Waste management	26	Presence of policies and procedures for waste management that are aligned with the COP requirements	Presence of effective and efficient system to enforce relevant policies and procedures on waste management	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures	Waste generated per net value added (Tons/unit of \$ currency)
TIER 3	Hazardous waste	25	Presence of policies and procedures for hazardous waste management that are aligned with the COP requirements	Presence of effective and efficient system to enforce relevant policies and procedures on hazardous waste management	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures	Total amount of hazardous waste, in absolute terms, as well as proportion of hazardous waste

3.3.4 PERFORMANCE METRIC PROTOCOLS

TIER 1	
Metric	Financial water intensity
Unit(s)	Litres and litres per \$
Definition	Refers to the amount of water a company withdraws during the reporting period per dollar net revenue.
Rationale	Company-wide water intensity provides insight into the efficiency of a member's water use. Improvements in intensity over time are a strong indication that the member is taking meaningful steps to improve its water management. Financial water intensity over product water intensity is used to the diverse product nature across the supply chain and to incorporate service-based companies.
Measurement methodology	<ul style="list-style-type: none"> • Calculate total water use for the reporting period. Water use is defined as water withdrawal plus total water received from a third party (such as a utilities company). • Depending on the local unit of measure, members may have to convert their total usage to litres. • Determining water use requires data collected at each business unit/facility through direct measurement (through water meters) or through water supplier bills. • Members would need to disclose during the annual data submission to RJC if these instruments are not used at their facilities and an estimation is provided.
Guidance adapted from	<ul style="list-style-type: none"> • CEO Water Mandate, Corporate Water Disclosure Guidelines • UNCTAD: "Guidance on core indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals", 2020
External reporting frameworks	<ul style="list-style-type: none"> • UNCTAD B.1.2. • CEO Water Mandate's Corporate Water Disclosure Guidelines

TIER 2	
Metric	Waste generated per net value added.
Unit(s)	Tonnes and tonnes/\$
Definition	The indicator measures change in member's waste generation, waste being a non-product output with a negative or zero market value. Water and air-polluting emissions are not regarded as waste.
Rationale	Data related to waste generated per net value added reveals the extent of waste minimisation strategies across members, by monitoring the level of progress the organisation has made toward waste reduction efforts it signals improvements in process efficiency and productivity.
Measurement methodology	<ul style="list-style-type: none"> • Total waste generated during a reporting period is defined as the sum of all mineral, non-mineral, and/or hazardous waste. This excludes the amount of waste that is treated onsite or offsite through closed loop recycling, reuse, or re-manufacturing processes, i.e. materials that are directly recycled or reused at the place of generation (i.e. members' facilities). • Waste can be solid, liquid or paste-like and can be measures in various units of measurement. However, for the purpose of this indicator, waste should be reported in weight not volume. Country-based environmental agencies usually provide conversion tools to assist companies in converting to weight using conversion factors based on waste density and volume. • Waste data should be reported in absolute terms, and normalised by dividing the total waste generated during a reporting period with the new value added • Net value added: Revenue minus costs of bought-in materials, goods and services and minus depreciation on tangible assets
Guidance adapted from	<ul style="list-style-type: none"> • UNCTAD: "Guidance on core indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals", 2020
External reporting frameworks	<ul style="list-style-type: none"> • UNCTAD B.2.1

TIER 3	
Metric	Hazardous waste generated per net value added
Unit(s)	Tonnes and tonnes/\$
Definition	Total amount of hazardous waste, in absolute terms, as well as proportion of hazardous waste treated
Rationale	One of the key principles of sustainability in business is to consume less. This is particularly important for hazardous substances because they have a worse effect on the environment than other resources. Members therefore should make a special effort to reduce the amount of hazardous waste generated as part of their business operations.
Measurement methodology	<ul style="list-style-type: none"> • Members should report the total hazardous waste generated during the reporting period, defined as the sum of the amounts of all types of hazardous waste as listed in Annex III of the Basel Convention on hazardous waste³ • The sum of hazardous waste generated during the reporting period should be divided by the amount of net value added (expressed in \$) generated in the same reporting period.
Guidance adapted from	<ul style="list-style-type: none"> • UNCTAD: "Guidance on core indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals", 2020
External reporting frameworks	<ul style="list-style-type: none"> • UNCTAD B.2.3 • GRI 306-4

3. Basel Convention on the control of transboundary movements of hazardous wastes and their disposal (www.basel.int/portals/4/basel%20convention/docs/text/baselconventiontext-e.pdf)

3.4 PEACE



Long-term impact: Jewellery and watch industry is free from corruption, conflict and illicit activities

3.4.1 METRICS OVERVIEW

	Business theme	COP	Commitment metric	Process metric	Outcome: compliance metric	Outcome: performance metric
TIER 1	Anti-corruption	11 & 12	Presence of anti-bribery policies and procedures that are aligned with the COP requirements	Presence of effective and efficient management system to enforce relevant policies and procedures on anti-bribery	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures	Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures
TIER 2	Anti-corruption	11 & 12	Presence of anti-bribery policies and procedures that are aligned with the COP requirements	Presence of effective and efficient management system to enforce relevant policies and procedures on anti-bribery	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures	Total number and nature of incidents of corruption confirmed during the current year
TIER 3	Ethical behaviour	1	Presence of legal compliance policies and procedures that are aligned with the COP requirements	Presence of effective and efficient management system to enforce relevant policies and procedures on anti-bribery	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice or violations of other related industry laws or regulations.

3.4.2 PERFORMANCE METRIC PROTOCOLS

TIER 1	
Metric	Training on anti-corruption
Unit(s)	%
Definition	Total percentage of governance body members, employees and business partners who have received training/communication on the organisation's anti-corruption policies and procedures.
Rationale	Corruption thrives where governance is weak and undermines stakeholder legitimacy and trust. Anti-corruption training helps contribute to the develop of an anti-corruption culture and internal skills and capabilities.
Measurement methodology	<ul style="list-style-type: none"> When compiling the data, members should identify: <ul style="list-style-type: none"> the governance bodies that exist within the organisation, such as the board of directors, management committee, or similar and the total number of individuals and/or employees who comprise these governance bodies the total number of employees, excluding governance body members estimate the total number of business partners
Guidance adapted from	<ul style="list-style-type: none"> World Economic Forum, "Measuring Stakeholder Capitalism", 2020 GRI 205: ANTI-CORRUPTION 2016
External reporting frameworks	<ul style="list-style-type: none"> WEF core metric – governance GRI 205-2 UNCTAD D.2.2

TIER 2

Metric	Number of corruption incidences
Unit(s)	#
Definition	Total number and nature of incidents of corruption confirmed during the current year.
Rationale	Monitoring the number of new corruption year on year provides some insight into changes over time of the effectiveness of anti-corruption policies and practices.
Measurement methodology	<ul style="list-style-type: none"> • Include all incidences of corruption that has been found to be substantiated during the reporting period. Those incidences still under investigation in the reporting period should not be included • Members should report the number of confirmed incidences per nature: <ul style="list-style-type: none"> - Bribery - Facilitation payment - Money laundering
Guidance adapted from	<ul style="list-style-type: none"> • World Economic Forum, “Measuring Stakeholder Capitalism”, 2020 • GRI 205: ANTI-CORRUPTION 2016
External reporting frameworks	<ul style="list-style-type: none"> • WEF core metric – governance • GRI 205-3

TIER 3

Metric	Monetary losses for unethical behaviour
Unit(s)	\$
Definition	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice or violations of other related industry laws or regulations.
Rationale	This metric is an indicator of a member’s ethical behaviour. Violations of laws governing corporate behaviour are a useful proxy for assessing adherence to processes implemented by members to foster the right business culture and behaviours.
Measurement methodology	<ul style="list-style-type: none"> • Members should identify all legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice or violations of other related industry laws or regulations, which resulted in monetary losses during the reporting period. • Identify the amount of fines paid (& payable) during the reporting period • Sum up all the amounts and report in \$
Guidance adapted from	<ul style="list-style-type: none"> • UNCTAD: “Guidance on core indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals”, 2020
External reporting frameworks	<ul style="list-style-type: none"> • WEF expanded metric – governance • SASB 510a.1 • UNCTAD D.2.2

3.5 PARTNERSHIPS



Long term impact: Successful multi-stakeholder partnerships that deliver lasting positive impact on sustainable development.

3.5.1 METRICS OVERVIEW

	Business theme	COP	Commitment metric	Process metric	Outcome: compliance metric	Outcome: performance metric
TIER 1	Community investment	10	Presence of community investment policies and procedures that are aligned with the COP requirements	Presence of effective and efficient management system to enforce relevant community investment policies and procedures	Assessment of the level of compliance with the relevant COP provision and members' policies and procedures	Total community investment
TIER 2	Multi-stakeholder partnerships	N/A	N/A	N/A	N/A	N/A
TIER 3						

3.5.2 PERFORMANCE METRIC PROTOCOLS

TIER 1	
Metric	Total community investment
Unit(s)	\$
Definition	Total community/charitable/voluntary investments in the broader community, including both capital expenditures and operating costs.
Rationale	Information on the distribution of economic value provides a basic indication of how a member has created wealth for stakeholders.
Measurement methodology	<ul style="list-style-type: none"> The amount of community investment should be expressed in monetary terms and comprise the expenditures (both capital expenditure and operating ones if applicable) incurred in the reporting period. An organisation can calculate community investments as voluntary donations plus investment of funds in the broader community where the target beneficiaries are external to the organization. Total community investments refer to actual expenditures in the reporting period, not commitments. Community investments can include: <ul style="list-style-type: none"> Contributions to charities, NGOs and research institutes (unrelated to the organisation's commercial research and development); Funds to support community infrastructure, such as recreational facilities. Direct costs of social programs, including arts and educational events. Infrastructure investments unrelated to the main business activities of the organisation, such as a school or hospital for workers and their families. Costs of goods, labour and capital costs can be included as well as ongoing operating costs. Excluded are those infrastructure, legal and commercial activities, or investments whose purpose is driven primarily by core business needs or to facilitate the business operations of the entity (e.g. building a road to a factory). Members should also include non-monetary contributions, for example workers who lend their time and capabilities to build infrastructure for a community project, and other in-kind donations (calculated at a fair value). Members should also calculate the company's total community investment as a percentage of their revenue, and express in percentage terms.
Guidance adapted from	<ul style="list-style-type: none"> GRI 201: Economic Performance 2016 UNCTAD: "Guidance on core indicators for entity reporting on contribution towards implementation of the Sustainable Development Goals", 2020
External reporting frameworks	<ul style="list-style-type: none"> UNCTAD A.3.2 GRI 201-1 WEF core metric – prosperity

TIER 2

Metric	Participation and support of civil society partnerships
Unit(s)	Number and monetary value committed (\$)
Definition	Amount in USD committed to civil society partnerships during the reporting period
Rationale	This metric assesses the level of commitment and support for civil society partnerships connected to the SDGs.
Measurement methodology	<ul style="list-style-type: none"> • Total monetary value of financial and in-kind contributions made directly and indirectly by members for the civil society partnership. • An in-kind contribution means support, other than money, provided by members towards civil society partnerships. This can include voluntary labour or donated goods and services (e.g. marketing support, printing or donation of equipment)
Guidance adapted from	<ul style="list-style-type: none"> • GRI 415 – Public Policy
External reporting frameworks	<ul style="list-style-type: none"> • IAEG-SDG 17.17.1

TIER 3

There is no third-tier metric for SDG17 at present due to the lack of common metrics available.



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